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RECORDATION NO. _____ FILED

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WASHINGTON, D. C. 20036-3003

JUL 02 '04 10-38 AM

SURFACE TRANSPORTATION BOARD

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July 2, 2004

BY HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street NW, Suite 700
Washington, D.C. 20423

Re: Recordation Pursuant to 49 U.S.C. § 11301

Dear Mr. Williams:

Enclosed for filing and recordation pursuant to 49 U.S.C. § 11301 and the Board's regulations at 49 C.F.R. § 1177, we enclose an original and one certified true copy of the following document:

An Assignment and Assumption Agreement (the "Assignment Agreement") dated July 1, 2004 which pertains to the transfer of the Lessee's rights and obligations under a Railcar Equipment Lease dated November 24, 1997 (the "JAIX Railcar Lease") between The Grand Leasing Partnership, LLP, as assignee of JAIX Leasing Company's interest thereunder ("the Lessor") and AEP Texas Central Company (the "Lessee").

The Assignment Agreement is a secondary document under 49 C.F.R. § 1177.1(b). The primary document with which this Assignment Agreement is associated has been recorded at Recordation No. _____ We request that this assignment be cross-indexed.

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The names and addresses of the parties to the Assignment Agreement are as follows:

Assignor:

AEP Texas Central Company
1 Riverside Plaza
Columbus, OH 43215

Assignee:

Coletto Creek WLE, LP
c/o Sempra Energy Partners, LLC
101 Ash Street
San Diego, California 92101

In addition, the name and address of the Secured Party are as follows:

The Grand Leasing Partnership, LLP
c/o Babcock & Brown Rail Management LLC
230 Park Avenue, 32nd Floor
New York, NY 10169

A description of the equipment covered by the Assignment Agreement follows:

One hundred and eighteen (118) Aluminum BethGon Coalporter Cars bearing continuous car marks and numbers from CSWX 7361 through CSWX 7468 (inclusive); CSWX 7370 through CSWX 7473 (inclusive); and CSWX 7475 through CSWX 7480 (inclusive).

The short summary of this document for indexing purposes is:

Assignment between AEP Texas Central Company and Coletto Creek WLE, LP dated July 1, 2004, and covering 118 Aluminum BethGon Coalporter Cars bearing continuous car

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marks and numbers from CSWX 7361 through CSWX 7468 (inclusive), CSWX 7370 through CSWX 7473 (inclusive), and CSWX 7475 through CSWX 7480 (inclusive), and connected to JAIX Railcar Lease dated November 24, 1997 with Recordation No. 23779.

We request that you charge our STB account in the amount of the requisite filing fee. The bearer of this letter will provide that account number to you. Please accept for recordation the original Assignment Agreement, stamp the certified copy with your recordation number, and return that copy to the bearer of this letter along with your fee receipt addressed to the undersigned.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, reading "Andrew B. Kolesar III". The signature is fluid and cursive, with the "III" at the end written in a stylized, slightly detached manner.

Andrew B. Kolesar III
An Attorney for AEP Texas Central Company

Enclosures

JUL 02 '04 10:38 AM

ASSIGNMENT AND ASSUMPTION AGREEMENT (JAIX RAILCAR LEASE)

SURFACE TRANSPORTATION BOARD

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assignment Agreement") dated as of July 1, 2004, by and between AEP TEXAS CENTRAL COMPANY, a Texas corporation ("Transferor") and COLETO CREEK WLE, LP, a Texas limited partnership ("Transferee").

WITNESSETH:

WHEREAS, Transferor and Topaz Power Group, LLC, a Delaware limited liability company f/k/a Willie Acquisition Company II, LLC ("Purchaser"), are parties to that certain Purchase and Sale Agreement, dated as of March 12, 2004 (the "Purchase and Sale Agreement");

WHEREAS, Transferor is party to that certain Railcar Equipment Lease, dated as of November 24, 1997, between The Grand Leasing Partnership, LLP, as assignee of JAIX Leasing Company's interest thereunder (the "Lessor"), and Transferor (as amended, modified or supplemented, the "JAIX Railcar Lease") and the JAIX Railcar Lease is one of the Generation Facility Contracts;

WHEREAS, pursuant to the Purchase and Sale Agreement, Transferor has agreed to sell, convey, assign, transfer and deliver to Purchaser all of Transferor's right, title and interest in, to and under the Generation Facility Contracts, including the JAIX Railcar Lease, Purchaser has agreed to assume, pay, perform and discharge when due all of the Assumed Liabilities (as defined in the Purchase and Sale Agreement) and Purchaser has assigned its rights under the Purchase and Sale Agreement, to the extent relating to Coletto Creek (as defined in the Purchase and Sale Agreement), to Transferee;

WHEREAS, the Lessor has consented to the assignment of all of Transferor's right, title and interest in, to and under the JAIX Railcar Lease to Transferee and the Lessor has required, as part of granting its consent, that such assignment be effected by a separate assignment and assumption agreement that relates solely to the JAIX Railcar Lease and no other Generation Facility Contracts and that will be filed with the Surface Transportation Board; and

WHEREAS, it is the intention of Transferor and Transferee that by the execution and delivery of this Assignment Agreement, Transferor will assign to Transferee and Transferee will assume and will pay, perform and discharge when due, without recourse to Transferor, all Assumed Liabilities, as more particularly described and set forth in Section 2.3 of the Purchase and Sale Agreement, under the JAIX Railcar Lease.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Transferor and Transferee hereby agree as follows:

1. Capitalized terms which are used but not otherwise defined in this Assignment Agreement shall have the meaning ascribed to such terms in the Purchase and Sale Agreement.

2. Transferor does hereby sell, convey, assign, transfer and deliver to Transferee all of Transferor's right, title and interest in, to, and under the JAIX Railcar Lease.

3. Transferee hereby assumes and agrees to pay, perform and discharge when due, without recourse to Transferor, all liabilities and obligations of Transferor under the JAIX Railcar Lease. Notwithstanding anything to the contrary herein, Transferee shall not assume or perform any of the Excluded Liabilities.

4. Neither the making nor the acceptance of this Assignment Agreement shall change, enlarge, restrict or otherwise modify the terms of the Purchase and Sale Agreement or constitute a waiver or release or acceptance by Transferor or Transferee of any liabilities, duties or obligations imposed upon either of them by the terms of the Purchase and Sale Agreement, including, without limitation, any of the representations and warranties and other provisions which the Purchase and Sale Agreement provides shall survive the date hereof.

5. This Assignment Agreement is delivered pursuant to and is subject to the terms of the Purchase and Sale Agreement, including, without limitation, Section 2.6 of the Purchase and Sale Agreement. In the event that any provision of this Assignment Agreement is construed to conflict with any provision of the Purchase and Sale Agreement, the provisions of the Purchase and Sale Agreement shall be deemed controlling.

6. This Assignment Agreement shall bind and shall inure to the benefit of the respective parties hereto and their respective successors and permitted assigns.

7. Nothing in this Assignment Agreement is intended to confer upon any Person other than Transferee, on the one hand, and Transferor, on the other hand, any rights or remedies hereunder or shall create any third party beneficiary rights in any Person.

8. The validity, interpretation and effect of this Assignment Agreement shall be governed and construed in accordance with the laws of the State of Texas without regard to conflicts of law doctrines, except to the extent that certain matters are preempted by federal law.

9. This Assignment Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, this Assignment Agreement has been duly executed and delivered by Transferor and Transferee as of the date first above written.

AEP TEXAS CENTRAL COMPANY

By: Charles H. Adams
Name:
Title:

CORPORATE SEAL:

Acknowledgement

for

AEP TEXAS CENTRAL COMPANY

I, Charles H. Adami, certify that I am Vice President of AEP Texas Central Company, that the seal affixed to the foregoing instrument is the corporate seal of AEP Texas Central Company, that the instrument was signed and sealed on behalf of the corporation by authority of its governing board, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on July 1, 2004

Charles H. Adami
Signature

ACCEPTED AND AGREED TO
THIS 1 DAY OF July, 2004:

COLETO CREEK WLE, LP

By: Topaz Power Group GP, LLC,
a Delaware limited liability company,
its General Partner

By: [Signature]
Name: Michael Hoffman
Title: Manager

By: [Signature]
Name: Richard Vaccari
Title: Vice President

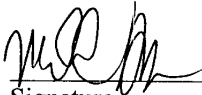
Acknowledgement

for

COLETO CREEK WLE, LP

I, Michael Hoffman, certify that I am a manager of Topaz Power Group GP, LP, the General Partner of Coleto Creek WLE, LP, that the instrument was signed on behalf of the limited partnership by authority of its General Partner's Management Committee, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the limited partnership. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on July 1, 2004



Signature

Name: Michael Hoffman

Title: Manager